



20  
07

IDAHO INDUSTRIAL COMMISSION

ANNUAL REPORT



## 2007 Commissioners:

THOMAS LIMBAUGH  
*Employer Member*

R. D. MAYNARD  
*Employee Member*

JAMES F. KILE  
*Chairman, Attorney Member*

## Table of Contents

ABOUT THE COMMISSION	3
ADJUDICATION DIVISION	4
Adjudication Statistics	4
FY 2007 Claims and Adjudication Statistics by County	5
BENEFITS ADMINISTRATION	6
2007 Claim Statistics	6
Claims and Fatalities by Industry	8
EMPLOYER COMPLIANCE DIVISION	9
Employer Compliance Statistics	9
INSURANCE COMPANY STATISTICS	10
2007 FISCAL ACTIVITY	12
REHABILITATION DIVISION	13
Rehabilitation Cases	15
CRIME VICTIMS COMPENSATION PROGRAM	16
Crime Victims Compensation Statistics	16
Claims, Payments, and Revenue by County	17
FY 2007 Cases Filed by Crime Description	18
FY 2003-FY 2007 Sexual Assault Examination Claims	19
COMMISSION OFFICES	20

*Costs associated with this publication are available from the Idaho Industrial Commission in accordance with Section 60-202, Idaho Code. The Idaho Industrial Commission adheres to all applicable state and federal laws and regulations related to discrimination on the basis of race, color, national origin, gender, age or handicap. 1-08/fj2007 ar/ 800*

## About the Commission



*ABOVE: The Idaho Industrial Commission's main office at 317 Main in downtown Boise.*

A relatively small state agency with approximately 138 employees statewide, the Idaho Industrial Commission administers the Idaho Workers' Compensation Law (Title 72, Chapters 1-8, Idaho Code). The Industrial Commission resolves disputed worker's compensation cases, serves as an appeals court for the Idaho Department of Labor's unemployment claims, ensures that all employees subject to Title 72 are insured, provides rehabilitation services to injured workers, and administers the Idaho Crime Victims Compensation Program.

The Idaho Industrial Commission is a three-member panel, appointed by the governor, comprised of an Idaho Licensed Attorney, an employer representative, and a worker representative. The Commission's daily activities are administered by a director who serves at a position between

the commissioners and the staff of the four functional divisions of the agency: Compensation, Adjudication, Rehabilitation, and Crime Victims Compensation. The accomplishments of each division will be highlighted in this document.

As Idaho's economy continues to experience unprecedented economic change in the housing, manufacturing and tourism sectors, the necessity for a state agency to address the needs of a growing body of workers and employers has never been greater. By working diligently to impartially and efficiently administer the Idaho Workers' Compensation and Crime Victims Compensation Laws, the Idaho Industrial Commission helps foster a safe, compliant work atmosphere to the benefit of workers, employers, and the great state of Idaho. We at the Idaho Industrial Commission are proud to document our accomplishments in the 2007 Annual Report. ■

## Core Functions of the Commission

### Adjudication Division

- Ensures the timely processing and resolution of disputed workers' compensation claims and medical fee disputes;
- Provides an alternative method of resolving disputes through mediation;
- Provides judicial review of unemployment insurance appeals from the Idaho Department of Labor;
- Hears appeals from determinations made by the Crime Victims Compensation Program

### Compensation Division

- Evaluates insurance carriers requesting to write workers' compensation insurance and employers requesting to become self insured;
- Ensures adequate securities are on deposit with the State Treasurer's Office to cover outstanding awards;
- Enforces the insurance requirements of the Idaho Workers' Compensation Law (Title 72, Chapters 1-8, Idaho Code);
- Ensures that workers' compensation benefits are paid properly and timely.

### Rehabilitation Division

- Assists injured workers to maximize their medical recovery while facilitating an early return to employment, which is as close as possible to the worker's pre-injury wage and status.

### Crime Victims Compensation Program

- Provides financial assistance to victims of crime for health care and related expenses that are incurred as a result of criminally injurious conduct;
- Pays for the cost of sexual assault forensic examinations.

## Alternative Dispute Resolution

Parties wishing to resolve a workers' compensation dispute can file a "complaint," which initiates formal hearing before the Commission, or they may use the Alternative Dispute Resolution (ADR) program. The Idaho Industrial Commission's ADR services are free of charge, informal, voluntary, and non-binding. Each mediation is presided over by a trained Commission mediator. The services are available at any stage of a workers' compensation claim or complaint to assist the involved parties in reaching a successful resolution of the dispute. During the 2007 fiscal year, 815 out of 856 claims were resolved through mediation, resulting in a 95% success rate.

## Adjudication Division

**T**he Adjudication Division is the judicial arm of the Industrial Commission.

The Division renders binding decisions on contested workers' compensation claims, unemployment appeals, crime victims compensation appeals, and medical fee disputes. The Division hears, reviews and rules on cases when a party to a claim files a complaint with the Industrial Commission. Full evidentiary hearings are held when necessary before a referee or one or more Commissioners. In these hearings, the Commissioners function as judges. The decisions issued by the

Commission are generally final, unless appealed to the Idaho Supreme Court.

The workers' compensation system was developed as the sole remedy for employees injured on the job. This system acts to protect the employer from civil liability stemming from employment related injuries. Further, it was designed to provide workers with timely access to medical treatment and specific payment amounts for injuries occurring in the course of employment.

A majority of workers' compensation claims are resolved without involvement

**CONTINUED ON PAGE 7**

Adjudication Statistics	2005	2006	2007
<b>Workers' Compensation Litigation Activity</b>			
Complaints Filed	1,248	1,113	995
Hearings Held	113	120	117
Lump Sum Settlements Approved	781	795	710
Dismissals	256	284	275
Decisions Issued	94	84	103
<b>Appeals to the Supreme Court</b>	13	12	13
Decisions Affirmed	4	7	11
Decisions Reversed/Remanded	4	3	1
Dismissed	3	2	5
<b>Workers' Compensation Mediation Activity</b>			
Mediations Held	468	486	442
Claims Mediated	724	938	856
Claims Resolved	632	851	815
<b>Unemployment Activity</b>			
Total Appeals	617	547	433
Total Decisions	668	578	446*
Reconsiderations	37	33	27

*\*Does not include reconsiderations*



## FY 2007 Claims & Adjudication Statistics by County

County	Total Employed*	# Claims Filed	Claims per 100 Employees	Fatalities	Loss Time Cases Filed**	Lump Sum Settlement Agreement Approved	# of Complaints Filed by County of Accident	# of W/C Hearings Held	# of W/C Dispositions ***
Ada	193,565	12,603	6.51%	7	1,791	125	190	26	102
Adams	1,940	73	3.76%	0	18	1	3	0	0
Bannock	39,388	1,753	4.45%	0	254	37	48	8	19
Bear Lake	3,013	82	2.64%	0	12	1	7	0	0
Benewah	4,085	249	6.10%	3	58	12	11	0	4
Bingham	19,977	962	4.82%	2	153	16	24	5	7
Blaine	14,276	984	6.90%	0	217	5	16	0	4
Boise	3,763	66	1.75%	0	10	2	2	0	1
Bonner	20,209	981	4.85%	0	183	32	44	2	10
Bonneville	46,105	2,988	6.48%	2	533	78	100	18	32
Boundary	3,991	266	6.66%	0	48	9	9	0	0
Butte	1,120	17	1.52%	0	4	1	1	2	2
Camas	625	13	2.08%	0	4	0	1	0	0
Canyon	80,550	4,805	5.97%	3	777	52	92	4	40
Caribou	3,356	138	4.11%	0	21	4	4	0	0
Cassia	9,925	779	7.85%	0	115	18	20	4	7
Clark	508	36	7.09%	0	3	0	0	0	1
Clearwater	3,022	221	7.31%	0	52	8	9	1	3
Custer	2,400	95	3.96%	0	26	2	5	1	0
Elmore	10,546	334	3.17%	1	61	2	6	2	2
Franklin	6,203	184	2.97%	0	33	0	5	1	0
Fremont	5,812	172	2.96%	0	36	7	7	1	3
Gem	7,373	179	2.43%	1	37	2	5	1	2
Gooding	8,407	412	4.90%	0	76	6	13	3	9
Idaho	6,744	324	4.80%	1	58	3	7	0	4
Jefferson	10,096	470	4.66%	0	88	12	5	2	4
Jerome	10,080	863	8.56%	0	135	12	18	0	7
Kootenai	67,554	4,606	6.82%	3	639	63	110	8	36
Latah	17,630	754	4.28%	1	105	20	32	0	4
Lemhi	3,739	102	2.73%	1	21	2	3	0	0
Lewis	1,704	126	7.39%	0	34	4	7	0	0
Lincoln	2,467	59	2.39%	0	7	1	0	0	0
Madison	14,461	775	5.36%	0	86	18	22	1	9
Minidoka	9,233	586	6.35%	4	103	14	16	4	6
Nez Perce	18,411	1,565	8.50%	1	297	48	45	7	11
Oneida	2,222	39	1.76%	0	8	1	2	0	1
Owyhee	4,925	207	4.20%	0	42	2	3	0	1
Payette	9,911	355	3.58%	2	60	7	7	1	3
Power	3,654	218	5.97%	0	34	8	6	1	1
Shoshone	5,342	364	6.81%	0	55	10	8	2	2
Teton	4,628	162	3.50%	0	34	1	3	0	1
Twin Falls	37,624	2,679	7.12%	0	368	38	51	9	20
Valley	4,892	419	8.57%	0	77	3	8	0	1
Washington	4,911	348	7.09%	0	59	6	2	1	2
Out of State	-	446	-	3	87	11	13	2	16
Other/Unknown	-	540	-	0	71	4	4	0	1
<b>TOTAL</b>	<b>730,386</b>	<b>44,399</b>	<b>5.04%</b>	<b>36</b>	<b>6,990</b>	<b>708</b>	<b>994</b>	<b>117</b>	<b>378</b>

\*Source: Idaho Department of Labor & Commerce

\*\*Includes impairment-only and fatal cases

\*\*\* Post-hearing decisions, stipulations, lump-sum settlements, and dismissals including non-compensable, medical-only, and indemnity cases





## Unemployment Appeals

The Idaho Industrial Commission is the upper level reviewing authority for unemployment insurance decisions issued by the Idaho Department of Labor (DOL). Once an unemployment insurance case is heard and ruled on by the DOL, that decision may be appealed to the Industrial Commission. Interested parties have fourteen days from the date the DOL decision is mailed to file an appeal of that decision with the Industrial Commission.

All appeals filed with the Commission are assigned a referee. The referee reviews the case documents and the hearing tape. Based on this review, the referee prepares a written decision for approval by the Commissioners. Neither the Commissioners nor the referee is bound by the findings and the conclusions of the DOL. The decision issued by the Commission is a new decision in the case and can only be appealed to the Idaho Supreme Court. The Adjudication Division issued 446 decisions on unemployment appeals in FY 2007.

## Adjudication Division, Continued

### CONTINUED FROM PAGE 5

of the Adjudication Division. Cases that do require the intervention of the Adjudication Division are either processed through a formal complaint which invokes a hearing process, or mediated through the Commission's Alternative Dispute Resolution Program (ADR). The ADR program offers an efficient and cost-effective alternative to litigation. The goal of the ADR program is to resolve disputes quickly and eliminate the need for hearings or rulings on motions. Since the introduction of the ADR program in 1993, more than 5,846 claims have been mediated.

Over 995 workers' compensation complaints were filed with the Commission during FY 2007. This constitutes only 2.24% of the 44,322 claims filed with the Industrial Commission. The Adjudication Division held 117 hearings, and issued 103 decisions in FY 2007.

The Commissioners, following review by the Benefits Administration, also review and approve lump sum

settlement agreements (LSSA) of workers' compensation claims. The Commission is bound by statute to review applications for settlement to determine legality, and to ensure that the agreement is in the "best interests of all parties." LSSA agreements may not be approved for a number of reasons, but primarily for failing to show why the agreement factually supports the "best interest" standard.

The Adjudication Division conducts evidentiary hearings and issues binding decisions in crime victims compensation cases, where individuals alleging they were innocent victims of crime can appeal a denial of financial assistance for medical or time loss expenses.

The Adjudication Division also resolves disputes between sureties and medical providers. When a dispute arises, either the medical provider or the sureties can challenge contested charges and payments to the Industrial Commission for a ruling. The Commission will evaluate the evidence and then issue a binding administrative order to resolve the medical fee disputes. ■



## Benefits Administration

**B**enefits Administration serves to ensure the timely and accurate payment of benefits to injured workers, the timely payment of medical bills, and ensures that insurance companies follow Idaho Code, Title 72, when managing claims. The section works with claimants, employers, insurance companies, and attorneys to meet this obligation.

From FY 2006 to FY 2007, the average labor force grew by 14,958, a 2.03% increase over FY 2006. Yet, the rapid escalation in Idaho's population and workforce did not lead to an increase in the relative number of workers' compensation claims filed. In fact, the number of claims per 100 employees dropped to 6.07, down from 6.19 in FY 2006. Benefits Administration processed 302 fewer claims in Fiscal Year 2007 than it did in 2006. This finding is consistent with the trend of decreasing claim frequency that has occurred over the last 15 years.

Administration of the claims process

is divided between Compensation Consultants, administration support staff, and records/reception staff. The Compensation Consultants answer questions about the claims process and educate claimants, employers, medical providers, insurance adjusters, and attorneys about workers' compensation laws and procedures. Consultants also audit insurance companies to ensure compliance with Idaho's Workers' Compensation Law. The Benefits staff also offers several education and training opportunities such as the Certified Idaho Workers' Compensation Specialist (CIWCS) course, Medical Provider Workshops, and the Employer Education and Evaluation (EEE) program. The CIWCS course is an intense program covering all facets of the Idaho Workers' Compensation system, including Commission departments and functions. To date, over 287 certificates have been issued.

The EEE program is designed to help employers identify potential sources of increased liability exposure, and to outline claim cost reduction strategies.

**CONTINUED ON PAGE 8**

## Claim Frequency

A key issue facing employers and workers' compensation insurers is whether the recent declines in claim frequency over the last fifteen years will continue. Rates in Idaho, and across the country, have been on the decline. The reduction in rates throughout the country have been linked to declines in claim frequency and decreases in medical and indemnity severities.

Claim frequency in Idaho has been on the decline as the ratio of injuries per 100 workers fell this year to 6.07, down from 6.19 in FY 2006. While there is some variation, the facts clearly show that a decline in workers' compensation claim frequency has occurred in all major industry groups and spanned almost all occupations.

An accurate percentage of change in the average cost of time-loss claims cannot be calculated this year. The figures at the lower left reflect a reduction in cost for both medical and indemnity, but due to a system changeover and implementation of more refined data collection, the year-to-year figures are not necessarily compatible.

2007 Claim Statistics	2005	2006	2007
<b>Workers' Compensation Claims</b>	42,347	44,622	44,400
Medical Only	35,796	38,039	37,525
Compensable Time-Loss	6,501	6,520	6,810
Fatalities	48	36	36
<b>AVERAGE FILED PER WORKING DAY</b>	160	169	170
<b>NON-INSURED CLAIMS FILED</b>	52	35	7
<b>Compensable Time-Loss Claims</b>			
Claims Still Open	7,929	8,498	8,409
Claims Closed	8,127	7,360	8,708
Medical Paid On Claims Closed	\$89,633,046.98	\$92,101,018.73	\$100,253,046.24
Average for Claims Closed	\$11,029.04	\$12,513.72	\$11,512.75
Indemnity Paid on Claims Closed	\$85,643,701.42	\$82,598,156.74	\$84,268,581.55
Average per Claim Closed	\$10,538.16	11,222.57	\$9,677.15
<b>Claims Closed by Lump Sum Settlement</b>	2,303	2,153	1,465



## Benefits Administration, Continued

### CONTINUED FROM PAGE 7

The claims administrative support staff enter manually submitted First Report of Injury forms (IC-1) and check electronically received claims for accuracy. Claims staff review medical records and other pertinent documents to audit and approve Summaries of Payment (SOP) submitted by the claims administrator when disability ends for each time loss claim. Benefits staff also manage the Records Management, internal mail, and reception functions of the Industrial Commission.

Since the 2005 legislature mandated the Commission establish a medical fee

schedule to better manage medical costs associated with workers' compensation, many have wondered what effect the fee schedule has had on the average cost of closed claims. At this point, the Idaho Industrial Commission only tracks an aggregate closed claim average. This includes claims that may have been open years before the medical fee schedule went into effect. Cases closed in 2007 reflect all cases closed in FY 2007, not just cases that have been opened since the medical fee schedule went into effect. As a result, the closed claim average is not an accurate reflection of the medical fee schedule's impact on the cost of workers' compensation claims. ■

Claims & Fatalities by Industry*	FY 2005		FY 2006		FY 2007	
	Claims	Fatalities	Claims	Fatalities	Claims	Fatalities
Manufacturing	6,131	6	6,462	1	6,162	2
Construction	5,404	4	6,312	4	6,209	4
Retail Trade	5,732	1	5,823	4	5,683	1
Health Care & Social Assistance	4,141	1	4,168	1	4,458	2
Waste Management Remediation	2,863	4	2,744	2	2,446	2
Accommodation & Food Services	2,367	1	2,599	1	2,349	2
Wholesale Trade	2,547	4	2,502	0	2,394	1
Agriculture/Forestry	2,213	13	2,465	4	2,420	10
Educational Services	1,959	0	2,023	1	2,009	1
Transportation/Warehousing	1,439	5	1,540	10	1,556	2
<b>TOTAL (All Industries)</b>	<b>42,347</b>	<b>48</b>	<b>44,622</b>	<b>36</b>	<b>44,095</b>	<b>36</b>



## Employer Compliance Division

**T**remendous growth in Idaho's economic sector has impacted Employer Compliance immensely. The favorable business climate, increasing population and subsequent increasing demand for goods and services have attracted new employers to the state in record numbers, many of whom are unfamiliar with Idaho's coverage requirements. Combined with factors related to increased competition, some employers cut corners to reduce costs, including failing to carry workers' compensation insurance. Regardless of the reason, an employer without a policy is contacted by the Employer Compliance Division to determine if workers' compensation insurance is required.

Workers' compensation insurance is required by law for nearly all Idaho employers. One of the primary duties of the Idaho Industrial Commission is to ensure that employers maintain the required coverage. The Employer Compliance Division works diligently

with employers to ensure that coverage is obtained and maintained. This year, Employer Compliance contacted 18,215 employers regarding a lack of workers' compensation insurance; 12,074 were the result of a new business registration and 5,828 were from existing businesses whose workers' compensation insurance policy canceled. Through its enforcement and investigative effort, Employer Compliance increased the number of employers carrying workers' compensation insurance by 3,706, resulting in 14,612 new employees being protected under the Workers' Compensation Law. 7,708 cases were referred for investigation in FY 2007, resulting in 2,233 employers obtaining insurance.

Employer Compliance has eight Investigators located throughout the state. The Investigators work with employers to ensure that the statutory requirement to carry workers' compensation insurance is met, and to

**CONTINUED ON PAGE 12**

## Department Purpose

The goal of the Employer Compliance department is to ensure that all employers legally required to provide insurance coverage for their employees are, in fact, doing so. An employee's income, medical bills and other benefits should be protected if they are injured on the job. Furthermore, it is unfair competition in the business community when some employers are abiding by the law and paying insurance premiums while others are not.

Employer Compliance Statistics	2004	2005	2006	2007
<b>Results of Correspondence</b>				
No Employees	2,274	1,898	2,633	3,296
Out of Business	560	474	656	868
Coverage Received	5,099	4,110	4,955	5,190
Coverage Pending	2,152	2,155	2,780	1,834
Exempt	1,042	942	1,151	1,188
<b>Referred to Investigator</b>				
North Idaho	1,342	1,375	1,378	1,316
Southwest Idaho	704	736	804	1,132
Central Idaho	2,288	2,470	2,835	3,145
South Central Idaho	788	782	679	659
Southeast Idaho	1,075	1,072	1,108	1,459
<b>TOTAL</b>	<b>6,197</b>	<b>6,435</b>	<b>6,804</b>	<b>7,711</b>
<b>Results of Investigation</b>				
Coverage Received	2,653	2,667	2,601	2,233
Insurance Not Required	3,222	3,615	3,881	4,760
Failed to Obtain/Referred for Legal Action	271	389	422	361



## Insurance Company Statistics: Calendar Year 2006

Surety Name	Premium Earned	Employers Covered	Claims Filed	Compensation Paid in Time-Loss Claims	Claims Paid
Liberty Northwest Insurance Company	\$44,954,975	1,644	4,850	\$19,909,128	4,418
Advantage Workers Compensation Insurance Company	\$15,682,752	706	1,909	\$5,256,523	1,736
Travelers Property Casualty Company of America	\$10,559,019	401	963	\$246,043	226
Zurich American Insurance Company of Illinois	\$10,133,429	427	1,175	\$1,744,279	471
American Home Insurance Company	\$8,814,850	271	866	\$1,062,563	438
Associated Loggers Exchange	\$6,631,512	324	170	\$2,464,827	147
Ace American Insurance Company	\$6,437,448	214	446	\$2,680,112	464
Sentry Insurance	\$5,097,368	149	621	\$1,374,191	626
Workers Compensation Exchange	\$4,851,773	0	283	\$4,412,096	201
Insurance Company of the State Of Pennsylvania	\$4,437,941	149	777	\$292,955	388
Employers Compensation Insurance Company	\$3,849,332	325	407	\$414,030	327
Indemnity Insurance Company of NA (NEW)	\$3,155,239	72	409	\$1,444,755	373
Employers Insurance Company of Wausau	\$2,735,492	66	198	\$1,991,330	185
Hartford Insurance Company of the Midwest	\$2,731,819	131	210	\$546,308	172
Wausau Underwriters Insurance Company	\$2,047,781	98	288	\$506,477	275
Continental Casualty Company	\$1,927,333	116	84	\$507,703	141
Liberty Mutual Insurance Company	\$1,911,282	46	78	\$699,450	83
Liberty Mutual Fire Insurance Company	\$1,719,764	86	79	\$923,901	75
Hartford Underwriters Insurance Company	\$1,399,853	812	132	\$251,598	109
Travelers Indemnity Company	\$1,385,277	414	73	\$1,087,187	68
TOTALS FOR ALL PRIVATE INSURERS (333)	\$161,669,633	11,864	17,881	\$61,784,056	13,244
State Insurance Fund	\$240,692,102	43,175	23,520	\$111,748,244	20,140
Self-Insured Employers	\$30,678,867	28	3,080	\$11,138,240	2,268
TOTAL FOR ALL INSURERS	\$433,040,602	55,067	44,481	\$184,670,540	35,652

Medical Only Claims Paid				Time-Loss Claims Paid			
				Indemnity		Medical	
Paid	Total Paid	Average Paid	Cases Closed	Paid	Average Paid	Paid	Average Paid
	\$2,714,573	\$614	1,605	\$8,506,105	\$5,300	\$11,403,023	\$7,105
	\$1,176,888	\$678	515	\$2,434,596	\$4,727	\$2,821,928	\$5,479
	\$24,872	\$110	55	\$101,423	\$1,844	\$144,620	\$2,629
	\$3,18,905	\$677	122	\$785,491	\$6,438	\$958,788	\$7,859
	\$342,758	\$783	59	\$506,197	\$8,580	\$556,367	\$9,430
	\$83,587	\$569	283	\$990,701	\$3,501	\$14,74,126	\$5,209
	\$48,086	\$104	150	\$877,629	\$5,851	\$1,802,483	\$12,017
	\$280,289	\$448	252	\$531,934	\$2,111	\$842,257	\$3,342
	\$168,516	\$838	193	\$1,975,831	\$10,237	\$2,436,266	\$12,623
	\$94,500	\$244	100	\$139,561	\$1,396	\$153,393	\$1,534
	\$172,290	\$527	67	\$127,071	\$1,897	\$286,959	\$4,283
	\$308,778	\$828	105	\$610,431	\$5,814	\$834,324	\$7,946
	\$149,442	\$808	109	\$757,496	\$6,950	\$1,233,834	\$11,320
	\$126,327	\$734	49	\$192,669	\$3,932	\$353,639	\$7,217
	\$140,329	\$510	38	\$202,390	\$5,326	\$304,087	\$8,002
	\$23,128	\$164	664	\$155,213	\$234	\$352,489	\$531
	\$43,498	\$524	28	\$416,828	\$14,887	\$282,621	\$10,094
	\$33,558	\$447	41	\$626,648	\$15,284	\$297,253	\$7,250
	\$56,510	\$518	31	\$99,882	\$3,222	\$151,716	\$4,894
	\$58,099	\$854	63	\$308,365	\$4,895	\$778,822	\$12,362
	\$8,427,640	\$593	6,902	\$2,817,327	\$2,958	\$33,966,729	\$2,360
	\$14,656,762	\$728	6,937	\$47,103,390	\$6,790	\$64,644,854	\$9,319
	\$1,312,926	\$560	1,308	\$4,911,138	\$4,101	\$6,227,102	\$5,032
	\$24,397,328	\$684	15,147	\$79,831,855	\$5,270	\$104,838,685	\$6,921

## Employer Compliance Division, Continued

### CONTINUED FROM PAGE 9

determine if workers' compensation insurance is needed for their business

One of their primary responsibilities is to educate employers about workers' compensation insurance. Many first time employers are unaware of Idaho's workers' compensation requirements, and established employers sometimes struggle with the difference between an employee and an independent contractor. Investigators also focus on public outreach programs. The Commission has partnered with several state agencies to create the Small Business Information Forum. The forums are a free service designed to educate new businesses about the legal requirements of operating a business in Idaho.

Idaho is a partner with the National Council on Compensation Insurance (NCCI) for proof-of-coverage data. NCCI is the nation's oldest and largest provider of workers' compensation and employee injury data and statistics. Reporting to NCCI is mandatory for all insurers licensed in Idaho. This partnership allows interested parties to verify coverage of any Idaho employer online. This convenient feature is primarily utilized by medical providers

to determine who to bill after treating an injured worker. It is also used by workers and employers to see whether their employer or business has coverage.

Not all employers voluntarily obtain coverage on their own or are willing to work with an Investigator. In FY 2007, 361 employers were referred to the Deputy Attorneys General assigned to the Commission for legal enforcement of the workers' compensation law.

Employers who fail to carry workers' compensation insurance for their employees are subject to legal action in district court. An employer can face stiff penalties for not complying with the insurance requirements of Idaho's workers' compensation law. A minimum fine of \$25.00 per day can be assessed against an employer found to be in violation and the business can be ordered to be shut down until the required insurance is obtained. The Commission's legal team includes two attorneys from the Idaho Attorney General's office and two paralegals. In FY 2007, the Commission filed 191 suits against employers without the required workers' compensation coverage, resulting in 139 judgments in the Commission's favor. ■



## FY 2007 Fiscal Activity

FY 2007 Fiscal Activity	FY 2005	FY 2006	FY 2007
<b>Workers' Compensation Receipts</b>			
Premium Tax, workers' Compensation	9,104,400	10,172,300	10,876,900*
Premium Tax Penalties	10,000	700	100
Employer Compliance Penalties	612,300	804,600	831,200
Interest Earnings on Investments	204,700	368,500	538,700
Unemployment Appeals, Special Indemnity Fund Services	366,000	255,000	309,200
Miscellaneous Receipts	30,700	85,100	46,200
Federal Receipts, Census of Fatal Occupational Injuries	2,300	1,000	4,700
Annual Seminar Receipts	30,200	39,400	32,600
<b>TOTAL WORKERS' COMPENSATION REVENUES</b>	<b>\$10,360,600</b>	<b>\$11,726,600</b>	<b>\$12,639,600</b>
<b>Workers' Compensation Disbursements</b>			
Compensation Division	2,859,600	3,200,800	3,213,500
Rehabilitation Division	3,070,700	3,265,400	3,298,900
Adjudication Division	1,483,500	1,682,500	1,733,200
Division of Building Safety	1,251,300	1,056,700	1,079,900
Annual Seminar Expenditures	20,800	24,900	25,500
Federal Grant-Census of Fatal Occupational Injuries	2,100	1,500	3,600
<b>TOTAL WORKERS' COMPENSATION DISBURSEMENTS</b>	<b>\$8,688,000</b>	<b>\$9,231,800</b>	<b>\$9,354,600</b>
<b>Crime Victims Compensation Program Revenues</b>			
Fines Committed by County	1,702,200	1,786,100	1,907,300
Federal Grant	864,200	763,200	918,500
Restitution/Subrogation	324,200	295,400	283,200
Contributions/Donations	123,600	112,000	94,600
Miscellaneous Receipts	6,700	43,500	27,700
<b>TOTAL CRIME VICTIMS PROGRAM REVENUES</b>	<b>\$3,020,900</b>	<b>\$3,000,200</b>	<b>\$3,231,300</b>
<b>Crime Victims Compensation Program Disbursements</b>			
Crime Victims Administration	588,400	683,600	730,200
Crime Victims Trustee/Benefit, State	1,629,600	1,518,700	2,338,400
Crime Victims Trustee/Benefit, Federal	611,600	832,900	845,400
<b>TOTAL CRIME VICTIMS PROGRAM DISBURSEMENTS</b>	<b>\$2,829,600</b>	<b>\$3,035,200</b>	<b>\$3,914,000</b>
<b>TOTAL AGENCY REVENUES</b>	<b>\$13,381,500</b>	<b>\$14,726,800</b>	<b>\$15,870,900</b>
<b>TOTAL AGENCY DISBURSEMENTS</b>	<b>\$11,517,600</b>	<b>\$12,267,000</b>	<b>\$13,268,600</b>
<b>Cash Balance, Individual Funds</b>			
Industrial Administration Fund	6,217,300	8,698,500	\$11,975,600*
Crime Victims Fund	3,086,200	3,121,000	2,365,100
Federal Grant	255,500	185,400	259,500
Annual Seminar Account	26,000	40,500	47,600
<b>TOTAL CRIME VICTIMS PROGRAM REVENUES</b>	<b>\$9,585,000</b>	<b>\$12,045,400</b>	<b>\$14,647,800</b>
<b>Number of Employees (Full-Time Equivalent)</b>			
Compensation Division	54.75	54.75	54.75
Rehabilitation Division	50.75	50.75	50.75
Adjudication Division	22	22	22
Crime Victims Compensation Program	10	12	12
<b>TOTAL CRIME VICTIMS PROGRAM REVENUES</b>	<b>137.5</b>	<b>139.5</b>	<b>139.5</b>

## FY 2007 Major Accomplishments

- The Commission has focused efforts on reducing turnover and retaining skilled personnel. As part of these efforts, succession plans have been developed for key positions in the agency, including that of director.
- The Mediation Program reached an all-time high success rate of 95.2%.
- The Industrial Commission worked diligently with stakeholders this past year to develop a fee schedule for medical services provided to Idaho's industrially injured workers. The Commission successfully contracted with a private company through the Request for Proposal (RFP) process to assist in this project.
- 1,617 injured workers successfully returned to gainful employment through the services of the Rehabilitation Division, an increase of 9% over FY 2006.
- The Crime Victim Compensation Program paid out \$3,183, 839 in direct services to victims of crime in FY 2007, an increase of 35% over the previous fiscal year.
- Outreach and community education efforts helped to increase the number of sexual assault examination cases filed with the program by approximately 41%, and the number of applications filed with the program by approximately 21%.
- Compliance staff investigators handled over 7,700 compliance cases in FY 2007, a 13% increase over FY 2006. Over 14,000 Idaho workers became covered by workers' compensation insurance as the result of efforts by the Employer Compliance Division.

\*Premium Tax Receipts and the Industrial Commission Fund Ending Fund Balance are underestimated by \$197,603 because the State Treasurer's Office reduced fund 0300 receipts instead of fund 0519 receipts in June. The error was caught and corrected in July 07 FY 08.





## Rehabilitation Division

**T**he Rehabilitation Division has successfully served the state of Idaho since 1978. This unique service was charged with the difficult but rewarding task of assisting injured workers to return to gainful employment.

The general tasks of the Rehabilitation Division include contacting injured workers, employers, medical providers and sureties. Detailed information is gathered and a vocational plan is developed to facilitate a speedy return to work for injured workers.

These services are provided at no additional cost to the employer, insurer, or employee.

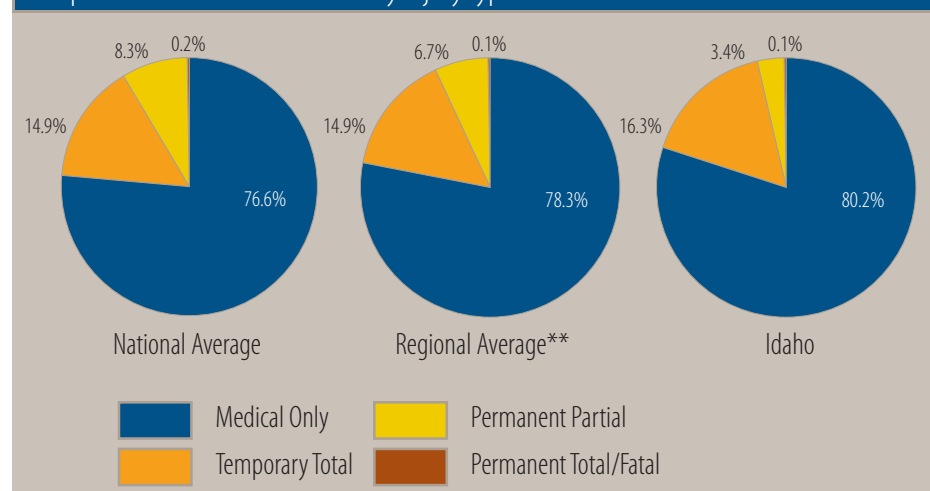
The Rehabilitation Division continues to provide quality information to physicians, employers, sureties and injured workers on the complex issues of the workers' compensation system. These efforts have resulted in a better understanding by all parties to the claim.

Additionally, the Rehabilitation Division has maintained a nine-day average response to all new referrals. Rehabilitation services were provided to 3,790 workers during FY 2007. Of injured workers who returned to work through the services of the Rehabilitation Division, 88% returned to their pre-injury status and wage. Through modified or accommodated work situations, 62% returned to their

## Mission Statement

As a neutral party, the Industrial Commission's Rehabilitation Division supports medical recovery while facilitating an early return to employment as close as possible to pre-injury status and wage.

### Comparison of Claims Distribution by Injury Type



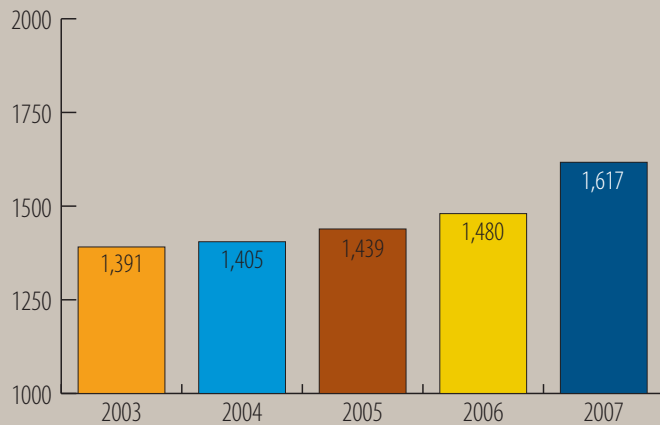
\*Source: NCCI's WCSP data

\*\* Regional States are Colorado, Montana, Oregon, South Dakota, and Utah



## Rehabilitation Division, Continued

Increases in Cases Rehabilitated from FY 2003 to FY 2007



time-of-injury employer.

As shown in the “Comparison of Claims Distribution by Injury Type” (lower left), the number of Idaho workers who recover after a temporary disability are above both the regional and national average. Consequently, the number of Idaho workers who are partially or totally disabled is also much lower, thanks in part to the efforts of the Rehabilitation Division.

The Industrial Commission has monitored an increase in medical and time loss payments over the past several years. A number of factors contribute to this increase, which include but are not limited to, more severe injuries, an aging workforce, and general inflation costs associated with care. These escalating costs indicate the growing value of rehabilitative services as a way to assist insurers and employers manage the cost of workplace injuries.

For these reasons, it has become increasingly important to assist injured workers in the transition of employment opportunities so they may continue to be productive and self-supporting members of the workforce. The Rehabilitation Division continues to utilize the Idaho Career Information System (CIS). This web-based system assists with vocational planning, job search and résumé development, career exploration, interest assessment, and provides objective labor market information that is exclusive to Idaho.

As Idaho’s population continues to increase, the Rehabilitation Division remains committed to pursuing an early return to work for injured workers, striving for restoration of pre-injury status and wage, and assisting employers in cost reduction by proactive solutions with job modification, alternative employment, and job placement. ■

### Re-employment Model

- Pre-injury position with pre-injury employer
- Modified position with pre-injury employer
- Alternative position, often light duty, with pre-injury employer
- New job with new employer
- On-the-job training with new employer
- More formal retraining to update skills

Rehabilitation Cases	2005	2006	2007
New Referrals	2,378	2,615	2,363
Referral to Eligibility	9.57 days	9.97 days	9.27 days
Served	3,715	3,824	3,790
Closed After Evaluation	303	235	230



## Crime Victims Compensation Program

**I**n 1986, the Idaho Legislature determined that “it is to the benefit of all that victims of violence and their dependents be assisted financially and socially whenever possible” (Idaho Code, 72-1002). With that as their goal, the Crime Victims Compensation Program was created to assist innocent victims in recovering from the traumatic effects of crime by providing financial assistance to cover expenses for treatment of injuries sustained resulting from criminal acts and for costs associated with sexual assault forensic examinations.

medical, funeral, lost wages, sexual assault exams, and counseling expenses, up to a maximum of \$25,000.

To date, the Program has assisted over 24,000 victims of crime, and provided over \$30,000,000 in financial assistance. In FY 2007, the Program received 2,420 applications for assistance, paying an average of \$1,722 per claim. Nearly 84% of these cases involved criminal misconduct against women and children, approximately 60% of cases filed involve child victims, and over half of all the cases filed with the Program involve sexually related offenses.

The program provides compensation for crime-related injuries, including

Funding for the Program is primarily  
**CONTINUED ON PAGE 18**

### Department Purpose

The Idaho Crime Victims Compensation Program provides assistance to innocent victims for financial losses associated with a crime when other resources are not available to cover those expenses. The Program believes that offenders should be held accountable for costs associated with their criminal activity, and actively pursues restitution.

Crime Victims Compensation Statistics	2005	2006	2007
<b>Crime Victim Cases</b>			
Cases Filed	1,912	2,000	2,408
Family Assistance Applications Filed	186	216	276
Eligibility Decisions Made	1,389	1,868	2,320
Awards Made	1,096	1,427	1,697
Denials Made	293	440	623
<b>Appeals Summary</b>			
Total Appeals Filed	76	91	53
Bureau Chief Reconsiderations	69	77	49
Hearings	7	14	4
<b>Financial Activity*</b>			
Total Revenue**	3,020,833	3,000,271	3,231,292.32
Total Expenses	2,829,512	3,035,169	3,914,00
Benefits Paid	2,241,110	2,351,567	3,183,839.61
Administrative Costs	588,402	683,602	730,212

*\*Figures rounded to the nearest dollar*

*\*\*Includes both state and federal funds*

## Claims, Payments, and Revenue by County

County	General Claims Only	General with SAE*	SAE Claims Only	Total Claims	General Claims Approved	General Claims Denied	SAE Benefits Paid**	General Benefits Paid**	Fines Collected**	Restitution Received**
Ada	321	469	54	844	580	292	\$96,813	\$725,301	\$526,996	\$67,201
Adams	1	2	0	3	2	3	47	1,800	7,706	282
Bannock	105	29	3	137	104	27	6,450	154,181	152,147	9,888
Bear Lake	7	1	1	9	6	0	696	4,851	6,843	0
Benewah	3	0	0	3	2	1	0	16,229	10,200	904
Bingham	11	4	14	29	13	4	3,119	49,518	51,137	2,603
Blaine	21	8	1	30	20	4	5,547	32,645	25,437	6,983
Boise	12	8	1	21	14	10	2,229	30,335	9,400	1,565
Bonner	32	2	6	40	34	6	3,585	53,182	46,803	6,968
Bonneville	64	6	21	91	64	7	35,108	109,681	107,717	6,849
Boundary	9	1	0	10	4	5	848	28,455	14,225	200
Butte	0	0	0	0	0	0	0	0	2,685	215
Camas	1	1	1	3	2	0	617	1,319	1,875	0
Canyon	245	232	10	487	368	147	35,690	629,618	184,301	42,185
Caribou	1	1	0	2	2	0	0	714	10,929	0
Cassia	3	3	19	25	9	2	665	6,959	32,746	673
Clark	1	0	0	1	0	0	0	0	1,775	0
Clearwater	12	0	0	12	9	2	0	46,797	12,467	1,031
Custer	1	1	0	2	0	0	0	0	4,196	276
Elmore	11	27	1	39	23	18	1,391	18,660	27,604	1,953
Franklin	3	0	2	5	0	0	0	1,404	15,376	860
Fremont	3	0	1	4	2	1	0	4,163	16,692	696
Gem	18	11	0	29	26	5	2,908	12,137	19,834	10,058
Gooding	8	8	8	24	18	3	3,054	21,550	20,828	1,988
Idaho	16	0	0	16	21	2	0	71,133	24,621	221
Jefferson	11	2	1	14	11	0	0	28,211	27,441	1,997
Jerome	9	4	10	23	10	1	1,954	5,589	32,308	340
Kootenai	105	18	11	134	120	11	8,282	244,021	148,227	3,789
Latah	22	4	0	26	23	4	3,151	20,917	30,658	1,117
Lemhi	5	2	0	7	6	2	167	1,862	6,766	3,959
Lewis	3	1	0	4	2	0	0	0	5,586	0
Lincoln	2	4	5	11	7	2	1,518	19,201	5,615	0
Madison	8	2	0	10	9	0	833	7,532	17,324	1,030
Minidoka	15	10	11	36	24	0	3,522	82,864	29,080	2,334
Nez Perce	30	3	5	38	36	10	3,241	84,194	56,654	4,777
Oneida	2	0	0	2	0	0	0	0	6,598	300
Owyhee	7	6	0	13	14	4	1,916	69,587	13,065	743
Payette	5	17	0	22	19	3	3,365	33,041	43,198	3,056
Power	1	1	0	2	0	0	0	0	14,538	1,832
Shoshone	9	2	0	11	6	1	0	19,656	18,257	50
Teton	3	0	1	4	0	2	230	230	10,513	1,003
Twin Falls	67	21	22	110	56	7	35,576	199,546	63,519	5,925
Valley	16	17	3	36	17	7	1,949	44,870	25,665	2,108
Washington	10	8	0	18	13	7	0	36,887	17,774	882
Other	0	0	15	15	0	6	0	0	N/A	910
Out of State	8	9	0	17	1	17	610	610	N/A	0
<b>TOTALS</b>	<b>1,247</b>	<b>944</b>	<b>229</b>	<b>2,420</b>	<b>1,697</b>	<b>623</b>	<b>\$265,079</b>	<b>\$2,918,760</b>	<b>\$1,907,343</b>	<b>\$199,751</b>

\*SAE=Sexual Assault Exam

\*\*Columns may not add up due to dollar rounding



## Funding

The Victims of Crime Act (VOCA) funds contribute significantly to the victim compensation programs in operation in all 50 states, the District of Columbia, the U.S. Virgin Islands, the Commonwealth of Puerto Rico, and the territory of Guam. The primary source of funding are federal fines and offender restitution. These funds help states provide funding to crime victims' expenses, including medical bills, mental health counseling, lost wages, and other crime-related costs. In FY 2007, the Office for Victims of Crime (OVC) awarded approximately \$143,418,000 to compensation programs.

## Crime Victims Compensation Program, Continued

### CONTINUED FROM PAGE 16

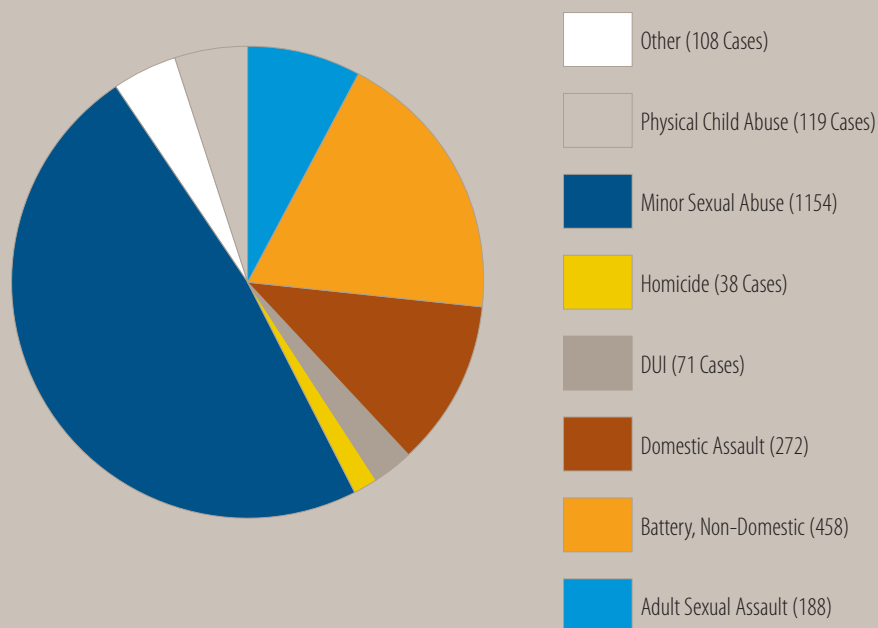
received from fines levied on misdemeanor (\$25.00) and felony (\$50.00) convictions and a \$200.00 penalty for sex offense convictions.

received \$540,000 in federal funds in FY 2007. The Program also receives funding from court ordered restitution, recovery from civil suits filed against offenders and from contributions.

Under the federal Victims of Crime Act (VOCA), each year state victim compensation programs receive an allocation of 60% of the total amount their program paid out to victims in the previous two-year period. The Idaho Crime Victims Compensation Program

The Program works cooperatively with the courts to hold offenders financially responsible by seeking reimbursement through restitution and subrogation. The Program works to ensure that victims of violence and their dependents receive needed

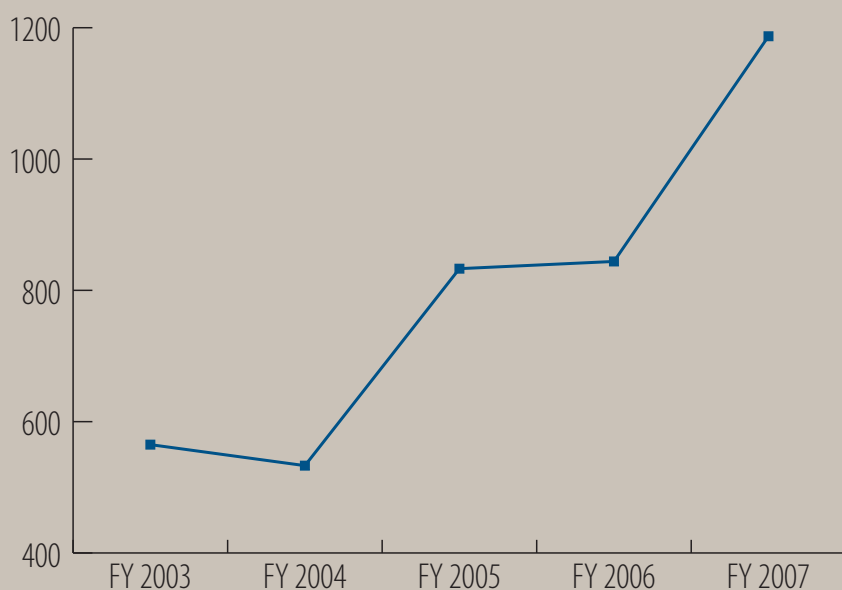
FY 2007 Cases Filed by Crime Description





## Crime Victims Compensation Program, Continued

FY 2003-FY 2007 Sexual Assault Examination Claims



assistance without the use of taxpayer dollars. Funds recovered are used to provide assistance to victims of crime throughout Idaho. Since the program began making payments on behalf of victims, \$3,752,616 in restitution was ordered, \$2,066,776 has been collected, leaving \$1,685,840 in outstanding restitution. The program continues to explore new methods to collect outstanding debt and hold offenders accountable for their actions. The Program's Recovery Unit is a national leader in state victim compensation programs efforts to recover money from offenders.

Since 2001, the Program has been responsible for administering payment of sexual assault forensic examinations statewide. The Program's proactive involvement in sexual assault and child sexual abuse cases has resulted in a 165% increase in the number of victims who also sought treatment

for physical and emotional injuries through the program. The number of sexual assault examination claims has continued to increase since the program's involvement. In the five-year period between 2003 and 2007, the number of Sexual Assault Examination Claims increased from 565 filed in 2003 to 1,187 filed in 2007, an increase of over 110%.

In conjunction with administering the Crime Victim's Act, the Bureau Chief and his program continue work with local government entities and private non-profit organizations to educate the public about the Program, reach out to victims of crime, and to enhance the criminal justice system's response to victims of crime. Outstanding relationships have been built to increase awareness of the services available to them through the Program. ■

### A Personal Perspective

"I realized that the Crime Victims Compensation Program has another important function. It is much more than a financial assistance program. Through its funding of the victim's healing process, it improves the emotional ability of victims to fulfill their role in the prosecution process."

—Recipient



## IDAHO INDUSTRIAL COMMISSION

317 Main Street  
PO Box 83720  
Boise, ID 83720-0041

Toll Free: 800.950.2110 | 208.334.6000 | Fax: 334.2321  
[www.iic.idaho.gov](http://www.iic.idaho.gov)

## Field Offices

### Boise

4355 W. Emerald St., Ste. 105  
Boise, ID 83706  
Phone: 208-334-2024  
Fax: 208-334-3711

### Burley

127 W. 5th N., Suite A  
Burley, ID 83318  
Phone: 208-678-3332  
Fax: 208-677-3616

### Coeur d'Alene

1111 W. Ironwood Drive,  
Suite A  
Coeur d'Alene, ID 83814  
Phone: 208-769-1452  
Fax: 208-769-1465

### Idaho Falls

1820 E. 17th, Suite 300  
Idaho Falls, ID 83404  
Phone: 208-525-7248  
Fax: 208-525-7013

### Kellogg

35 Wildcat Way, Suite B  
Kellogg, ID 83837  
Phone: 208-786-4600  
Fax: 208-786-7110

### Lewiston

1118 "F" Street  
Lewiston, ID 83501  
Phone: 208-799-5035  
Fax: 208-799-3482

### Nampa

847 Parkcentre Way, Suite 7  
Nampa, ID 83651  
Phone: 208-442-8341  
Fax: 208-442-8344

### Payette

501 N. 16th  
Payette, ID 83661  
Phone: 208-642-9417  
Fax: 208-642-6163

### Pocatello

1070 Hiline, Suite 300  
Pocatello, ID 83201  
Phone: 208-236-6399  
Fax: 208-236-6040

### Sandpoint

2101 West Pine St.  
Sandpoint, ID 83864  
Phone: 208-263-5747  
Fax: 208-265-9637

### Twin Falls

1411 Falls Avenue East, Ste  
915  
Twin Falls, ID 83301  
Phone: 208-736-4700  
Fax: 208-736-3053